

House File 2361 - Reprinted

HOUSE FILE 2361

BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO HSB 597)

(As Amended and Passed by the House March 26, 2014)

A BILL FOR

1 An Act relating to matters under the purview of the department
2 of transportation, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

HIGHWAYS

Section 1. Section 306.3, unnumbered paragraph 1, Code 2014, is amended to read as follows:

As used in this chapter or in any chapter of the Code relating to highways, except as otherwise specified:

Sec. 2. Section 306C.1, subsection 2, Code 2014, is amended to read as follows:

2. "*Interstate highway*" includes "*interstate road*" and "*interstate system*" and means any highway of the primary national highway system at any time officially designated as a part of the national system of interstate and defense highways by the department and approved by the appropriate authority of the federal government.

Sec. 3. Section 306C.1, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 5. "*National highway system*" means the network designated by the federal highway administration in consultation with the state department of transportation, which consists of interconnected urban and rural principal arterials and highways that serve major population centers, ports, airports, public transportation facilities, other intermodal transportation facilities, and other major travel destinations; meet national defense requirements; and serve interstate and interregional travel.

Sec. 4. Section 306C.2, unnumbered paragraph 1, Code 2014, is amended to read as follows:

A person shall not establish, operate, or maintain a junkyard, any portion of which is within one thousand feet of the nearest edge of the right-of-way of any interstate highway on the national highway system, except:

Sec. 5. Section 306C.3, Code 2014, is amended to read as follows:

306C.3 Junkyards lawfully in existence.

1. Any junkyard located outside a zoned or unzoned

1 industrial area lawfully in existence on July 1, 1972,
 2 which is within one thousand feet of the nearest edge of
 3 the right-of-way and visible from the main-traveled portion
 4 of any highway on the interstate system shall be screened,
 5 if feasible, by the department, or by the owner under rules
 6 and direction of the department, at locations on the highway
 7 right-of-way or in areas acquired for such purposes outside
 8 the right-of-way in order to obscure the junkyard from the
 9 main-traveled way of such highways.

10 2. Any junkyard located outside a zoned or unzoned
 11 industrial area lawfully in existence on July 1, 2014, which
 12 is within one thousand feet of the nearest edge of the
 13 right-of-way and visible from the main-traveled portion of
 14 any noninterstate highway which is on the national highway
 15 system shall be screened, if feasible, by the department, or
 16 by the owner under rules and direction of the department, at
 17 locations on the highway right-of-way or in areas acquired for
 18 such purposes outside the right-of-way in order to obscure the
 19 junkyard from the main-traveled way of such highways.

20 Sec. 6. Section 306C.10, subsections 1, 2, 10, 13, and 20,
 21 Code 2014, are amended to read as follows:

22 1. "*Adjacent area*" means an area which is contiguous to
 23 and within six hundred sixty feet of the nearest edge of the
 24 right-of-way of any ~~interstate, freeway primary, or primary~~
 25 highway.

26 2. "*Advertising device*" includes any outdoor sign, display,
 27 device, figure, painting, drawing, message, placard, poster,
 28 billboard, or any other device designed, intended, or used to
 29 advertise or give information in the nature of advertising, and
 30 having the capacity of being visible from the traveled portion
 31 of any ~~interstate or primary~~ highway.

32 10. "*Interstate highway*" includes "*interstate road*" and
 33 "*interstate system*" and means any highway of the ~~primary~~
 34 national highway system at any time officially designated as a
 35 part of the national system of interstate and defense highways

1 by the department and approved by the appropriate authority of
2 the federal government.

3 13. *"Primary highways"* ~~includes the entire primary system as~~
4 ~~officially designated, or as may hereafter be so designated,~~
5 ~~by the department~~ means all highways on the national highway
6 system and all highways on the federal-aid primary system as it
7 existed on June 1, 1991.

8 20. *"Unzoned commercial or industrial area"* means those areas
9 not zoned by state or local law, regulation, or ordinance,
10 which are occupied by one or more commercial or industrial
11 activities, and the land along the ~~interstate highways and~~
12 primary highways for a distance of seven hundred fifty feet
13 immediately adjacent to the activities. All measurements
14 shall be from the outer edge of the regularly used buildings,
15 parking lots, storage, or processing areas of the activities
16 and shall be parallel to the edge of pavement of the highway.
17 Measurements shall not be from the property line of the
18 activities unless that property line coincides with the limits
19 of the activities. Unzoned commercial or industrial areas
20 shall not include land on the opposite side of the highway from
21 the commercial or industrial activities.

22 Sec. 7. Section 306C.10, Code 2014, is amended by adding the
23 following new subsection:

24 NEW SUBSECTION. 12A. *"National highway system"* means the
25 network designated by the federal highway administration in
26 consultation with the state department of transportation, which
27 consists of interconnected urban and rural principal arterials
28 and highways that serve major population centers, ports,
29 airports, public transportation facilities, other intermodal
30 transportation facilities, and other major travel destinations;
31 meet national defense requirements; and serve interstate and
32 interregional travel.

33 Sec. 8. Section 306C.12, Code 2014, is amended to read as
34 follows:

35 **306C.12 None visible from highway.**

1 An advertising device shall not be constructed or
 2 reconstructed beyond the adjacent area in unincorporated areas
 3 of the state if it is visible from the main-traveled way of
 4 any ~~interstate or~~ primary highway except for advertising
 5 devices permitted in section 306C.11, subsections 1 and 2.
 6 Any advertising device permitted beyond an adjacent area in
 7 unincorporated areas of the state shall be subject to the
 8 applicable permit provisions of section 306C.18.

9 Sec. 9. Section 306C.13, subsections 2, 3, 4, and 5, Code
 10 2014, are amended to read as follows:

11 2. Advertising devices located within the adjacent
 12 area of nonfreeway primary highways shall not be erected or
 13 maintained closer to another advertising device facing in the
 14 same direction than one hundred feet if inside the corporate
 15 limits of a municipality. No advertising device, other than
 16 as excepted or permitted by ~~subsections~~ subsection 4, 5, or 6
 17 ~~of this section~~, shall be located within the triangular area
 18 formed by the line connecting two points each fifty feet back
 19 from the point where the street right-of-way lines of the
 20 main-traveled way and the intersecting street meet, or would
 21 meet, if extended.

22 3. Advertising devices located within the adjacent area of
 23 nonfreeway primary highways shall not be erected or maintained
 24 closer to another advertising device facing in the same
 25 direction than three hundred feet if outside the corporate
 26 limits of a municipality. No advertising device, other than
 27 those excepted or permitted by ~~subsections~~ subsection 4, 5, or
 28 6 ~~of this section~~, shall be located within the triangular area
 29 formed by a line connecting two points each one hundred feet
 30 back from the point where the street right-of-way lines of the
 31 main-traveled way and the intersecting street meet, or would
 32 meet, if extended.

33 4. The distance spacing measurements fixed by subsections 2
 34 and 3 ~~of this section~~ shall not apply to advertising devices
 35 which are separated by a building in such a manner that only

1 one advertising device located within the minimum spacing
2 distance is visible from a highway at any one time.

3 5. Within a triangular area, as defined by subsections 2
4 and 3 ~~of this section~~, occupied by a building or structure, no
5 advertising device shall be erected or maintained closer to the
6 intersection than the building or structure itself, except that
7 a wall advertising device may be attached to said building or
8 structure not to protrude more than twelve inches.

9 Sec. 10. Section 306C.13, subsection 8, paragraph g, Code
10 2014, is amended to read as follows:

11 g. The standards contained in this section pertaining to
12 size, lighting, and spacing shall not apply to advertising
13 devices erected or maintained within six hundred sixty feet
14 of the right-of-way of those portions of the interstate
15 highway system exempted from control under chapter 306B by
16 authority of section 306B.2, subsection 4, nor to advertising
17 devices erected and maintained within adjacent areas along
18 noninterstate primary highways within zoned and unzoned
19 commercial and industrial areas, unless said advertising
20 devices were erected subsequent to July 1, 1972.

21 DIVISION II

22 TRANSPORTATION DEPARTMENT AND COMMISSION

23 DEPARTMENT OF TRANSPORTATION

24 Sec. 11. Section 307.8, Code 2014, is amended to read as
25 follows:

26 **307.8 Expenses.**

27 ~~Members of the commission, the~~ The director, and other
28 employees of the department shall be allowed their actual and
29 necessary expenses incurred in the performance of their duties.
30 All expenses and salaries shall be paid from appropriations
31 for such purposes, and the department shall be subject to the
32 budget requirements of chapter 8.

33 Sec. 12. Section 307.12, subsection 1, paragraphs g and p,
34 Code 2014, are amended to read as follows:

35 g. Appoint the ~~deputy director of transportation and the~~

1 administrators ~~of~~ within the department.

2 ~~p. Administer chapter 327J~~ Apply for, accept, and expend
3 federal, state, or private funds for the improvement of
4 transportation.

5 Sec. 13. Section 307.12, subsection 1, Code 2014, is amended
6 by adding the following new paragraph:

7 NEW PARAGRAPH. *q.* Coordinate the transportation research
8 activities within the department.

9 Sec. 14. Section 307.12, subsection 2, Code 2014, is amended
10 to read as follows:

11 2. If in the interest of the state, the director may allow
12 a subsistence expense to an employee under the supervision of
13 the department's administrator responsible for highways highway
14 programs and activities for continuous stay in one location
15 while on duty away from established headquarters and place of
16 domicile for a period not to exceed forty-five days; and may
17 allow automobile expenses in accordance with section 8A.363,
18 for moving an employee and the employee's family from place of
19 present domicile to new domicile, and actual transportation
20 expense for moving of household goods. The household goods for
21 which transportation expense is allowed shall not include pets
22 or animals.

23 Sec. 15. Section 307.21, subsection 1, unnumbered paragraph
24 1, Code 2014, is amended to read as follows:

25 The department's administrator ~~of administrative services~~
26 responsible for the operations and finances of the department
27 shall:

28 Sec. 16. Section 307.21, subsection 7, Code 2014, is amended
29 to read as follows:

30 7. The administrator ~~of administrative services~~ may
31 purchase items from the department of administrative services
32 and may cooperate with the director of the department of
33 administrative services by providing purchasing services for
34 the department of administrative services.

35 Sec. 17. Section 307.22, Code 2014, is amended to read as

1 follows:

2 **307.22 Planning and research programming activities.**

3 1. The department's administrator ~~of~~ responsible for
4 transportation planning and ~~research~~ infrastructure program
5 development shall:

6 a. Assist the director in planning all modes of
7 transportation in order to develop an integrated transportation
8 system providing adequate transportation services for all
9 citizens of the state.

10 b. Develop and maintain transportation statistical data for
11 the department.

12 c. Assist the director in establishing, analyzing, and
13 evaluating alternative transportation policies for the state.

14 d. Coordinate planning ~~and research~~ duties and
15 responsibilities with the planning functions carried on by
16 other administrators of the department.

17 e. (1) Annually report by July 1 of each year, for both
18 secondary and farm-to-market systems, the miles of earth,
19 granular, and paved surface roads; the daily vehicle miles
20 of travel; and the lineal feet of bridge deck under the
21 jurisdiction of each county's secondary road department, as
22 of the preceding January 1, taking into account roads whose
23 jurisdiction has been transferred from the department to a
24 county or from a county to the department during the previous
25 year. The annual report shall include those roads transferred
26 to a county pursuant to section 306.8A.

27 (2) Miles of secondary and farm-to-market roads shall not
28 include those miles of farm-to-market extensions within cities
29 under five hundred population that are placed under county
30 secondary road jurisdiction pursuant to section 306.4.

31 (3) The annual report of updated road and bridge data of
32 both the secondary and farm-to-market roads shall be submitted
33 to the Iowa county engineers association service bureau.

34 f. Advise and assist the director in the study and
35 development of highway transport economics to assure

1 availability and productivity of highway transport services.

2 ~~f.~~ g. Perform such other planning functions as may be
3 assigned by the director.

4 2. The functions of planning and ~~research~~ infrastructure
5 program development do not include the detailed design
6 of highways or other modal transportation facilities, but
7 are restricted to the needs of this state for multimodal
8 transportation systems.

9 Sec. 18. Section 307.24, Code 2014, is amended to read as
10 follows:

11 **307.24 Administration of ~~highways~~ highway programs and**
12 **activities.**

13 The department's administrator ~~of highways~~ is responsible
14 for ~~the planning, design, construction, and maintenance of~~
15 highway programs and activities shall plan, design, construct,
16 and maintain the state primary highways and ~~shall~~ administer
17 chapters 306 ~~to~~ through 306C, chapters 309 through 314,
18 chapters 316 through 318, and chapter 320 and perform other
19 duties as assigned by the director. The ~~administration of~~
20 highways department shall be:

21 1. Be organized to provide ~~administration~~ assistance for
22 urban systems, ~~for~~ and secondary roads, and provide other
23 categories of ~~administration~~ assistance as necessary.

24 2. Devise and adopt standard plans of highway construction
25 and furnish the same to the counties and provide information
26 to the counties on the maintenance practices and policies of
27 the department.

28 3. Order the removal or alteration of any lights or
29 light-reflecting devices, whether on public or private
30 property, other than railroad signals or crossing lights,
31 located adjacent to a primary road and within three hundred
32 feet of a railroad crossing at grade, which in any way
33 interfere with the vision of or may be confusing to a person
34 operating a motor vehicle on such primary road in observing
35 the approach of trains or in observing signs erected for the

1 purpose of giving warning of such railroad crossing.

2 4. Order the removal or alteration of any lights or
3 light-reflecting devices, whether on public or private
4 property, located adjacent to a primary road and within
5 three hundred feet of an intersection with another primary
6 road, which in any way interfere with the vision of or may be
7 confusing to a person operating a motor vehicle on such primary
8 road in observing the approach of other vehicles or signs
9 erected for the purpose of giving warning of such intersection.

10 5. Construct, reconstruct, improve, and maintain state
11 institutional roads and state park roads which are part of the
12 state park, state institution, and other state land road system
13 as defined in section 306.3, and bridges on such roads, roads
14 located on the state fairgrounds as described in chapter 173,
15 and the roads and bridges located on community college property
16 as described in chapter 260C, upon the request of the state
17 board, department, or commission which has jurisdiction over
18 such roads. Such construction, reconstruction, improvement,
19 or maintenance shall be done in such manner as may be agreed
20 upon by the state transportation commission and the state
21 board, department, or commission which has jurisdiction. The
22 commission may contract with any county or municipality for
23 the construction, reconstruction, improvement, or maintenance
24 of such roads and bridges. Any state park road which is an
25 extension of either a primary or secondary highway which both
26 enters and exits from a state park at separate points shall
27 be constructed, reconstructed, improved, and maintained as
28 provided in section 306.4. Funds allocated from the road
29 use tax fund for the purposes of this subsection shall be
30 apportioned in the following manner and amounts:

31 a. For department of natural resources facility roads,
32 forty-five and one-half percent.

33 b. For department of human services facility roads, six and
34 one-half percent.

35 c. For department of corrections facility roads, five and

1 one-half percent.

2 d. For national guard facility roads, four percent.

3 e. For state board of regents facility roads, thirty
4 percent.

5 f. For state fair board facility roads, two percent.

6 g. For department of administrative services facility roads,
7 one-half percent.

8 h. For department of education facility roads, six percent.

9 Sec. 19. Section 307.26, Code 2014, is amended to read as
10 follows:

11 307.26 Rail and water Administration of modal programs and
12 activities.

13 The department's administrator responsible for ~~rail and~~
14 ~~water~~ modal programs and activities shall:

15 1. ~~Advise and assist the director in conducting research~~
16 ~~on the basic railroad problems and identify the present~~
17 ~~capability of the existing railroads in order to determine~~
18 ~~the present obligation of the railroads to provide acceptable~~
19 ~~levels of public service.~~ Advise and assist the director
20 in the development of aeronautics including but not limited
21 to the location of air terminals, accessibility of air
22 terminals by other modes of public transportation, protective
23 zoning provisions considering safety factors, noise, and air
24 pollution, facilities for private and commercial aircraft,
25 air freight facilities, and such other physical and technical
26 aspects as may be necessary to meet present and future needs.

27 2. Advise and assist the director in the study of local
28 and regional transportation of goods and people including
29 intracity and intercity bus systems, dial-a-bus facilities,
30 rural and urban bus and taxi systems, the collection of data
31 from these systems, a feasibility study of increased government
32 subsidy assistance and determination of the allocation of such
33 subsidies to each mass transportation system, and such other
34 physical and technical aspects as may be necessary to meet
35 present and future needs, and apply for, accept, and expend

1 federal, state, or private funds for the improvement of mass
2 transit.

3 ~~2.~~ 3. Advise and assist the director in the development
4 of ~~rail~~ transportation systems and programs for ~~expansion of~~
5 improving passenger and freight services.

6 ~~3.~~ 4. Advise and assist the director in developing programs
7 in anticipation of railroad abandonment, including:

8 a. Development and evaluation of programs which will
9 encourage improvement of rail freight and the upgrading of rail
10 lines in order to improve freight service.

11 ~~b. Development of alternative modes of transportation to~~
12 ~~areas and communities which lose rail service.~~

13 ~~c.~~ b. Advise Advising the director when it may appear in
14 the best interest of the state to assume the role of advocate
15 in railroad abandonments and railroad rate schedules.

16 ~~4.~~ 5. Develop and maintain a federal-state relationship
17 of programs relating to railroad safety enforcement, track
18 standards, rail equipment, operating rules, and transportation
19 of hazardous materials.

20 6. Make surveys, plans, and estimates of cost for safety
21 enhancement at railroad crossings on highways, and confer
22 with local and railroad officials with reference to safety
23 enhancement projects.

24 ~~5.~~ 7. Advise and assist the director in the conduct of
25 research on railroad-highway grade crossings and encourage
26 and develop a safety program in order to reduce injuries or
27 fatalities including, but not limited to, the following:

28 ~~a. The implementation of a program of constructing rumble~~
29 ~~strips at grade crossings on selected hard surface roads.~~

30 ~~b.~~ a. The establishment of standards for warning devices
31 for particularly hazardous crossings or for classes of
32 crossings on highways, which standards are shall be designed
33 to reduce injuries, fatalities, and property damage. Such
34 standards shall regulate the use of warning devices and
35 signs, which shall be in addition to the requirements of

1 section 327G.2. Implementation of such standards shall be
 2 the responsibility of the government agency, ~~or~~ department,
 3 or political subdivision having jurisdiction and control of
 4 the highway and such implementation shall be deemed adequate
 5 for the purposes of railroad grade crossing protection. The
 6 department, or the political subdivision having jurisdiction,
 7 may direct the installation of temporary protection while
 8 awaiting installation of permanent protection. A railroad
 9 crossing shall not be found to be particularly hazardous for
 10 any purpose unless the department has determined it to be
 11 particularly hazardous.

12 ~~e.~~ b. The development and adoption of classifications of
 13 crossings on public highways based upon their characteristics,
 14 conditions, and hazards, and standards for warning devices,
 15 signals, and signs of each crossing classification. The
 16 department shall recommend a schedule for implementation
 17 of the standards to the government agency, department, or
 18 political subdivision having jurisdiction of the highway and
 19 shall provide an annual report to the general assembly on the
 20 development and adoption of classifications and standards under
 21 this paragraph and their implementation, including information
 22 about financing installation of warning devices, signals, and
 23 signs. The department shall not be liable for the development
 24 or adoption of the classifications or standards. A government
 25 agency, department, or political subdivision shall not be
 26 liable for failure to implement the standards. A crossing
 27 warning or improvement installed or maintained pursuant to
 28 standards adopted by the department under this paragraph "b"
 29 shall be deemed an adequate and appropriate warning for the
 30 crossing.

31 ~~6. Apply for, accept, and expend federal, state or private~~
 32 ~~funds for the improvement of rail transportation.~~

33 ~~7.~~ 8. Advise and assist the director ~~on studies for to~~
 34 assure availability, efficiency, and productivity of freight
 35 and passenger services and to promote the coordination of

1 ~~railway~~ service ~~with that of other~~ between all transportation
2 modes.

3 ~~8.~~ 9. Advise and assist the director with studies of
4 regulatory changes deemed necessary to effectuate economical
5 and efficient railroad service.

6 ~~9.~~ 10. Advise and assist the director regarding agreements
7 with railroad corporations for the restoration, conservation,
8 or improvement of railroad as defined in section 327D.2,
9 subsection 3, on such terms, conditions, rates, rentals, or
10 subsidy levels as may be in the best interest of the state.
11 The commission may enter into contracts and agreements which
12 are binding only to the extent that appropriations have been
13 or may subsequently be made by the legislature to effectuate
14 the purposes of this subsection.

15 ~~10.~~ 11. Administer chapters 324A, 327C through 327H, 327J,
16 328, 329, and 330.

17 12. Administer programs and activities in chapter
18 306D relating to scenic routes, chapter 307C relating to
19 the Missouri river barge compact, chapter 308 relating
20 to the Mississippi river parkway, chapter 308A relating
21 to recreational bikeways, and chapter 315 relating to the
22 revitalize Iowa's sound economy fund.

23 ~~11.~~ 13. Perform such other duties and responsibilities as
24 may be assigned by the director ~~and the commission.~~

25 ~~12.~~ Advise and assist in the establishment and development
26 of railroad districts upon request.

27 ~~13.~~ Conduct innovative experimental programs relating to
28 rail transportation problems within the state.

29 ~~14.~~ Enter the role of "applicant" pursuant to the Railroad
30 Revitalization and Regulatory Reform Act of 1976, Pub. L. No.
31 94-210, and take such actions as are necessary to accomplish
32 this role.

33 ~~15.~~ Identify those segments of railroad trackage which, if
34 improved, may provide increased transportation services for
35 the citizens of this state. The department shall develop and

1 ~~implement programs to encourage the improvement of rail freight~~
2 ~~services on such railroad trackage.~~

3 ~~16.~~ 14. Promote river transportation and coordinate river
4 programs with other transportation modes.

5 ~~17.~~ 15. Advise and assist the director in the development
6 of river transportation and port facilities in the state.

7 Sec. 20. Section 307.27, Code 2014, is amended to read as
8 follows:

9 **307.27 Motor vehicles, motor carriers, and drivers.**

10 The department's administrator responsible for the
11 enforcement and regulation of motor carriers, registration of
12 motor vehicles, and the licensing of drivers shall:

13 1. Administer and supervise the registration of motor
14 vehicles and the licensing of drivers pursuant to chapter 321.

15 2. Administer and supervise the licensing of motor vehicle
16 manufacturers, distributors, and dealers pursuant to chapter
17 322.

18 3. Administer the inspection of motor vehicles pursuant to
19 chapter 321.

20 4. Administer motor vehicle registration reciprocity
21 pursuant to chapter 326.

22 5. Administer the provisions of chapters 321A, 321E, 321F,
23 and 321J relating to motor vehicle financial responsibility,
24 the implied consent law, the movement of vehicles of excessive
25 size and weight, and the leasing and renting of vehicles.

26 6. Administer the regulation of motor vehicle franchisers
27 pursuant to chapter 322A.

28 7. Administer the regulation of motor carriers pursuant to
29 ~~chapter~~ chapters 325A, 326, and 327B.

30 8. Administer the registration of interstate authority
31 of motor carriers pursuant to chapter 327B as provided in 49
32 U.S.C. § 14504a and United States department of transportation
33 regulations.

34 9. Administer chapter 321C relating to interstate drivers
35 license compacts; chapter 321D relating to vehicle equipment

1 compacts; chapter 321H relating to vehicle recyclers; chapter
2 321L relating to parking for persons with disabilities; chapter
3 321M relating to county issuance of driver's licenses; and
4 chapter 322C relating to travel trailer dealers, manufacturers,
5 and distributors.

6 Sec. 21. Section 307.45, Code 2014, is amended to read as
7 follows:

8 **307.45 State-owned lands — assessment.**

9 1. Cities and counties may assess the cost of a public
10 improvement against the state when the improvement benefits
11 property owned by the state and under the jurisdiction
12 and control of the ~~department's administrator of highways~~
13 department. The director shall pay from the primary road fund
14 the portion of the cost of the improvement which would be
15 legally assessable against the land if privately owned.

16 2. Assessments against property under the jurisdiction of
17 the ~~department's administrator of highways~~ department shall be
18 made in the same manner as those made against private property,
19 except that the city or county making the assessment shall
20 cause a copy of the public notice of hearing to be mailed to the
21 director by certified mail.

22 3. Assessments against property owned by the state and
23 not under the jurisdiction and control of the ~~department's~~
24 ~~administrator of highways~~ department shall be made in the same
25 manner as those made against private property, and payment
26 shall be subject to authorization by the executive council.
27 There is appropriated from moneys in the general fund not
28 otherwise appropriated an amount necessary to pay the expense
29 authorized by the executive council.

30 Sec. 22. Section 307.47, subsections 1 and 3, Code 2014, are
31 amended to read as follows:

32 1. The highway materials and equipment revolving fund
33 is created from moneys appropriated out of the primary road
34 fund. From this fund shall be paid all costs for materials
35 and supplies, inventoried stock supplies, maintenance and

1 operational costs of equipment, and equipment replacements
 2 incurred in the operation of centralized purchasing under the
 3 supervision of the ~~department's administrator of highways~~
 4 administrator responsible for highway programs and activities.
 5 Direct salaries and expenses properly chargeable to direct
 6 salaries shall be paid from the fund. For each month, the
 7 ~~director~~ administrator responsible for the operations and
 8 finances of the department shall render a statement to each
 9 highway unit under the supervision of the administrator
 10 ~~of highways~~ for the actual cost of materials and supplies,
 11 operational and maintenance costs of equipment, and equipment
 12 depreciation used. The expense shall be paid by the
 13 ~~administrator of highways~~ responsible for the operations
 14 and finances of the department in the same manner as other
 15 interdepartmental billings are paid, and ~~when the expense is~~
 16 ~~paid by the administrator of highways,~~ the sum paid shall be
 17 credited to the highway materials and equipment revolving fund.

18 3. When the highway units ~~under the supervision of~~
 19 ~~the administrator of highways~~ share equipment with other
 20 administrative units of the department, the director shall
 21 prorate the costs of the equipment among the administrative
 22 units using the equipment.

23 Sec. 23. REPEAL. Sections 307.3, 307.4, 307.5, 307.6,
 24 307.7, 307.9, 307.10, 307.25, 307.35, and 307.43, Code 2014,
 25 are repealed.

26 STATE TRANSPORTATION COMMISSION

27 Sec. 24. NEW SECTION. 307A.1A **Transportation commission.**
 28 1. There is created a state transportation commission which
 29 shall consist of seven members, not more than four of whom
 30 shall be from the same political party. The governor shall
 31 appoint the members of the commission for a term of four years
 32 beginning and ending as provided by section 69.19, subject to
 33 confirmation by the senate.

34 2. The commission shall meet in May of each year for the
 35 purpose of electing one of its members as chairperson.

1 Sec. 25. Section 307A.2, Code 2014, is amended to read as
2 follows:

3 **307A.2 Duties.**

4 ~~Said~~ The commission shall:

- 5 1. ~~Devise and adopt standard plans of highway construction~~
6 ~~and furnish the same to the counties and provide information~~
7 ~~to the counties on the maintenance practices and policies of~~
8 ~~the department. Develop, coordinate, and annually update a~~
9 ~~comprehensive transportation policy and plan for the state.~~
- 10 2. ~~Furnish information and instruction to, answer inquiries~~
11 ~~of, and advise with, highway officers on matters of highway~~
12 ~~construction and maintenance and the reasonable cost thereof.~~
13 Promote the coordinated and efficient use of all available
14 modes of transportation for the benefit of the state and
15 its citizens including but not limited to the designation
16 and development of multimodal public transfer facilities if
17 carriers or other private businesses fail to develop such
18 facilities.
- 19 3. ~~Reserved.~~
- 20 4. ~~Make surveys, plans, and estimates of cost, for the~~
21 ~~elimination of danger at railroad crossings on highways, and~~
22 ~~confer with local and railroad officials with reference to~~
23 ~~elimination of the danger.~~
- 24 5. ~~Assist the board of supervisors and the department~~
25 ~~general counsel in the defense of suits wherein infringement of~~
26 ~~patents, relative to highway construction, is alleged.~~
- 27 6. ~~Make surveys for the improvement of highways upon or~~
28 ~~adjacent to state property when requested by the board or~~
29 ~~department in control of said lands.~~
- 30 7. ~~Record all important operations of said commission and,~~
31 ~~at the time provided by law, report the same to the governor.~~
- 32 8. ~~Incur no expense to the state by sending out road~~
33 ~~lecturers.~~
- 34 9. ~~Order the removal or alteration of any lights or~~
35 ~~light-reflecting devices, whether on public or private~~

1 ~~property, other than railroad signals or crossing lights,~~
2 ~~located adjacent to a primary road and within three hundred~~
3 ~~feet of a railroad crossing at grade, which in any way~~
4 ~~interfere with the vision of or may be confusing to a person~~
5 ~~operating a motor vehicle on such highway in observing the~~
6 ~~approach of trains or in observing signs erected for the~~
7 ~~purpose of giving warning of such railroad crossing.~~

8 ~~10. Order the removal or alteration of any lights or~~
9 ~~light-reflecting devices, whether on public or private~~
10 ~~property, located adjacent to a primary road and within~~
11 ~~three hundred feet of an intersection with another primary~~
12 ~~road, which in any way interfere with the vision of or may be~~
13 ~~confusing to a person operating a motor vehicle on such highway~~
14 ~~in observing the approach of other vehicles or signs erected~~
15 ~~for the purpose of giving warning of such intersection.~~

16 ~~11. Construct, reconstruct, improve, and maintain state~~
17 ~~institutional roads and state park roads, which are part of~~
18 ~~the state park, state institution, and other state land road~~
19 ~~system as defined in section 306.3, and bridges on such roads,~~
20 ~~roads located on state fairgrounds as defined in chapter 173,~~
21 ~~and the roads and bridges located on community college property~~
22 ~~as defined in chapter 260C, upon the request of the state~~
23 ~~board, department, or commission which has jurisdiction over~~
24 ~~such roads. This shall be done in such manner as may be agreed~~
25 ~~upon by the state transportation commission and the state~~
26 ~~board, department, or commission which has jurisdiction. The~~
27 ~~commission may contract with any county or municipality for~~
28 ~~the construction, reconstruction, improvement, or maintenance~~
29 ~~of such roads and bridges. Any state park road which is an~~
30 ~~extension of either a primary or secondary highway which both~~
31 ~~enters and exits from a state park at separate points shall~~
32 ~~be constructed, reconstructed, improved, and maintained as~~
33 ~~provided in section 306.4. Funds allocated from the road~~
34 ~~use tax fund for the purposes of this subsection shall be~~
35 ~~apportioned in the following manner and amounts:~~

1 ~~a. For department of natural resources facility roads,~~
2 ~~forty-five and one-half percent.~~
3 ~~b. For department of human services facility roads, six and~~
4 ~~one-half percent.~~
5 ~~c. For department of corrections facility roads, five and~~
6 ~~one-half percent.~~
7 ~~d. For national guard facility roads, four percent.~~
8 ~~e. For state board of regents facility roads, thirty~~
9 ~~percent.~~
10 ~~f. For state fair board facility roads, two percent.~~
11 ~~g. For department of administrative services facility roads,~~
12 ~~one-half percent.~~
13 ~~h. For department of education facility roads, six percent.~~
14 ~~12.~~ 3. Prepare, adopt, and cause to be published a
15 long-range program for the primary road system, in conjunction
16 with the state transportation plan adopted by the commission.
17 Such program shall be prepared for a period of at least five
18 years and shall be revised, brought up-to-date, and republished
19 at least once every year in order to have a continuing
20 five-year program. The program shall include, insofar as such
21 estimates can be made, an estimate of the money expected to
22 become available during the period covered by the program and
23 a statement of the construction, maintenance, and other work
24 planned to be performed during such period. The commission
25 shall conduct periodic reinspections of the primary roads in
26 order to revise, from time to time, its estimates of future
27 needs to conform to the physical and service conditions
28 of the primary roads. ~~The commission shall annually cause~~
29 ~~to be published a sufficiency rating report showing the~~
30 ~~relative conditions of the primary roads.~~ Before the last
31 day of December of each year, the commission shall adopt and
32 cause to be published from its long-range program, a plan of
33 improvements to be accomplished during the next calendar year.
34 However, in years when the federal government is reauthorizing
35 federal highway funding, the commission shall not be required

1 to adopt and publish the annual plan of improvements to be
 2 accomplished until at least ninety days from the enactment
 3 of the new federal funding formula. This annual program
 4 shall list definite projects in order of urgency and shall
 5 include a reasonable year's work with the funds estimated to
 6 be available. The annual program shall be final and followed
 7 by the commission in the next year except that deviations may
 8 be made in case of disaster or other unforeseen emergencies
 9 or difficulties. The relative urgency of the proposed
 10 improvements shall be determined by a consideration of the
 11 physical condition, safety, and service characteristics of the
 12 various primary roads.

13 ~~13.~~ 4. The criteria used by the commission for allocating
 14 funds as a result of any long-range planning process shall be
 15 adopted in accordance with the provisions of chapter 17A. The
 16 commission shall adopt such rules and regulations in accordance
 17 with the provisions of chapter 17A as it may deem necessary to
 18 transact its business and for the administration and exercise
 19 of its powers and duties.

20 ~~14.~~ 5. Identify, within the primary road system, a network
 21 of commercial and industrial highways in accordance with
 22 section 313.2A. The improvement of this network shall be
 23 considered in the development of the long-range program and
 24 plan of improvements under this section.

25 6. Approve all rules prior to their adoption by the director
 26 pursuant to section 307.12, subsection 1, paragraph "j".

27 Sec. 26. NEW SECTION. 307A.3 Conflict of interest.

28 A person shall not serve as a member of the commission who
 29 has an interest in a contract or job of work or material or the
 30 profits thereof or service to be performed for the department.
 31 Any member of the commission who accepts employment with or
 32 acquires any stock, bonds, or other interest in any company
 33 or corporation doing business with the department shall be
 34 disqualified from remaining a member of the commission.

35 Sec. 27. NEW SECTION. 307A.4 Vacancies on commission.

1 1. Any vacancy in the membership of the commission shall be
2 filled in the same manner as regular appointments are made for
3 the unexpired portion of the regular term.

4 2. In the event the governor fails to make an appointment
5 to fill a vacancy or fails to submit the appointment to the
6 senate for confirmation as required by section 2.32, the senate
7 may make the appointment prior to adjournment of the general
8 assembly.

9 Sec. 28. NEW SECTION. 307A.5 Compensation — commission
10 members.

11 Each member of the commission shall be compensated as
12 provided in section 7E.6.

13 Sec. 29. NEW SECTION. 307A.6 Commission meetings.

14 The commission shall meet at the call of the chairperson or
15 when any four members of the commission file a written request
16 with the chairperson for a meeting. Written notice of the
17 time and place of each meeting shall be given to each member
18 of the commission. A majority of the commission members shall
19 constitute a quorum.

20 Sec. 30. NEW SECTION. 307A.7 Expenses.

21 Members of the commission shall be allowed their actual and
22 necessary expenses incurred in the performance of their duties.
23 All expenses and salaries shall be paid from appropriations for
24 such purposes.

25 Sec. 31. NEW SECTION. 307A.8 Removal from office.

26 Any member of the commission may be removed for any of
27 the causes and in the manner provided in chapter 66 and such
28 removal shall not be in lieu of any other punishment that may
29 be prescribed by the laws of this state.

30 CONFORMING AMENDMENTS

31 Sec. 32. Section 173.16, unnumbered paragraph 1, Code 2014,
32 is amended to read as follows:

33 All expenses incurred in maintaining the state fairgrounds
34 and in conducting the annual fair on ~~it~~ the state fairgrounds,
35 including the compensation and expenses of the officers,

1 members, and employees of the board, shall be recorded by the
 2 secretary and paid from the state fair receipts, unless a
 3 specific appropriation has been provided for that purpose. The
 4 board may request special capital improvement appropriations
 5 from the state and may request emergency funding from the
 6 executive council for natural disasters. The board may request
 7 that the department of transportation provide maintenance in
 8 accordance with section ~~307A.2~~ 307.24, subsection ~~11~~ 5.

9 Sec. 33. Section 312.2, subsection 2, unnumbered paragraph
 10 1, Code 2014, is amended to read as follows:

11 The treasurer of state shall before making the allotments
 12 in subsection 1 credit annually to the highway grade crossing
 13 safety fund the sum of seven hundred thousand dollars, credit
 14 annually from the road use tax fund the sum of nine hundred
 15 thousand dollars to the highway railroad grade crossing surface
 16 repair fund, credit monthly to the primary road fund the
 17 dollars yielded from an allotment of sixty-five hundredths of
 18 one percent of all road use tax funds for the express purpose
 19 of carrying out ~~subsection 11 of section 307A.2~~, section
 20 313.4, subsection 2, section 307.24, subsection 5, and section
 21 307.45, and credit annually to the primary road fund the sum of
 22 five hundred thousand dollars to be used for paying expenses
 23 incurred by the state department of transportation other than
 24 expenses incurred for extensions of primary roads in cities.
 25 All unobligated funds provided by this subsection, except those
 26 funds credited to the highway grade crossing safety fund, shall
 27 at the end of each year revert to the road use tax fund. Funds
 28 in the highway grade crossing safety fund shall not revert to
 29 the road use tax fund except to the extent they exceed five
 30 hundred thousand dollars at the end of any biennium. The cost
 31 of each highway railroad grade crossing repair project shall be
 32 allocated in the following manner:

33 Sec. 34. Section 312.4, subsection 5, Code 2014, is amended
 34 to read as follows:

35 5. The amount of the road use tax fund which has been

1 credited to carry out the provisions of ~~section 307A.2,~~
2 ~~subsection 11,~~ section 313.4, subsection 2, section 307.24,
3 subsection 5, and section 307.45.

4 Sec. 35. Section 313.4, subsection 2, Code 2014, is amended
5 to read as follows:

6 2. Such fund is also appropriated and shall be used for the
7 construction, reconstruction, improvement, and maintenance of
8 state institutional roads and state park roads and bridges on
9 such roads and roads and bridges on community college property
10 as provided in section ~~307A.2~~ 307.24, subsection ~~11~~ 5, for
11 restoration of secondary roads used as primary road detours and
12 for compensation of counties for such use, for restoration of
13 municipal streets so used and for compensation of cities for
14 such use, and for the payments required in section 307.45.

15 DIVISION III

16 MISCELLANEOUS PROVISIONS

17 Sec. 36. Section 321.50, subsection 5, Code 2014, is amended
18 by adding the following new paragraph:

19 NEW PARAGRAPH. *d.* For purposes of this subsection, a
20 security interest noted on an Iowa certificate of title and
21 appearing in the statewide computer system and the county's
22 records shall be presumed to be discharged upon presentation of
23 a valid certificate of title subsequently issued by a foreign
24 jurisdiction on which the security interest is no longer noted.

25 Sec. 37. Section 321.176A, subsection 1, Code 2014, is
26 amended to read as follows:

27 1. A farmer or a person working for a farmer while operating
28 a ~~commercial motor vehicle controlled by the farmer within one~~
29 ~~hundred fifty air miles of the farmer's farm to transport the~~
30 ~~farmer's own agricultural products, farm machinery, or farm~~
31 ~~supplies to or from the farm~~ covered farm vehicle as defined
32 in the federal Moving Ahead for Progress in the 21st Century
33 Act, Pub. L. No. 112-141, §32934. The exemption provided in
34 this subsection shall apply to farmers who assist each other
35 through an exchange of services and shall include operation of

1 a commercial motor vehicle between the farms of the farmers who
2 are exchanging services.

3 Sec. 38. Section 321.187, Code 2014, is amended to read as
4 follows:

5 **321.187 Examiners.**

6 1. The department shall examine applicants for driver's
7 licenses. Examiners of the department shall wear an
8 identifying badge and uniform provided by the department.

9 2. The department may by rule designate community colleges
10 established under chapter 260C and other third-party testers to
11 administer the driving skills test required for a commercial
12 driver's license, provided that all of the following occur:

13 a. The driving skills test is the same as that which would
14 otherwise be administered by the state.

15 b. The ~~examiner~~ third-party tester contractually agrees to
16 comply with the requirements of 49 C.F.R. §383.75 as adopted by
17 rule by the department.

18 c. Any third-party skills test examiner used by the
19 third-party tester shall meet the requirements of 49 C.F.R.
20 §383.75 and 49 C.F.R. §384.228, as adopted by rule by the
21 department. The department shall adopt rules requiring that a
22 third-party tester, other than a community college established
23 under chapter 260C, shall be an Iowa-based motor carrier or
24 its subsidiary that has its principal office within this state
25 and operates a permanent commercial driver training facility
26 in this state. The rules may also provide that a third-party
27 tester conduct a number of skills test examinations above the
28 number required under 49 C.F.R. §383.75 in order to remain
29 qualified as a third-party tester under this section.

30 3. As used in this section, "third-party tester" and
31 "third-party skills test examiner" mean as defined in 49 C.F.R.
32 §383.5.

33 Sec. 39. Section 321.257, subsection 2, paragraphs g and h,
34 Code 2014, are amended to read as follows:

35 g. A "don't walk" or "steady upraised hand" light is a

1 pedestrian signal which means that pedestrian traffic facing
2 the illuminated pedestrian signal shall not start to cross
3 the roadway in the direction of the pedestrian signal, and
4 pedestrian traffic in the crossing shall proceed to a safety
5 zone.

6 *h.* A *"walk" or "walking person"* light is a pedestrian signal
7 which means that pedestrian traffic facing the illuminated
8 pedestrian signal may proceed to cross the roadway in the
9 direction of the pedestrian signal and shall be given the
10 right-of-way by drivers of all vehicles.

11 Sec. 40. Section 321.257, subsection 2, Code 2014, is
12 amended by adding the following new paragraphs:

13 NEW PARAGRAPH. *0g.* A *"flashing yellow arrow"* light shown
14 alone or with another official traffic-control signal means
15 vehicular traffic may cautiously enter the intersection
16 and proceed only in the direction indicated by the arrow.
17 Vehicular traffic shall yield the right-of-way to other
18 vehicles and pedestrians lawfully within the intersection and
19 any vehicle on the opposing approach which is approaching so
20 closely as to constitute an immediate hazard during the time
21 the driver is moving within the intersection.

22 NEW PARAGRAPH. *0h.* A *"flashing upraised hand" or "upraised*
23 *hand with countdown"* light is a pedestrian signal which means
24 that pedestrian traffic facing the illuminated pedestrian
25 signal shall not start to cross the roadway in the direction of
26 the pedestrian signal, and pedestrian traffic in the crossing
27 shall proceed to a safety zone. The *"upraised hand with*
28 *countdown"* light is a pedestrian signal that also provides the
29 time remaining for the pedestrian to complete the crossing.

30 Sec. 41. Section 321.258, Code 2014, is amended to read as
31 follows:

32 **321.258 Arrangement of lights on official traffic-control**
33 **signals.**

34 1. Colored lights placed on a vertical official
35 traffic-control signal face shall be arranged from the top to

1 the bottom in the following order when used:

- 2 a. Circular red, ~~circular.~~
- 3 b. Steady and/or flashing left-turn red arrow.
- 4 c. Steady and/or flashing right-turn red arrow.
- 5 d. Circular yellow, ~~circular.~~
- 6 e. Circular green, ~~straight through yellow arrow, straight~~
7 through.
- 8 f. Straight-through green arrow, ~~left turn.~~
- 9 g. Steady left-turn yellow arrow, ~~left turn.~~
- 10 h. Flashing left-turn yellow arrow.
- 11 i. Left-turn green arrow, ~~right turn.~~
- 12 j. Steady right-turn yellow arrow, ~~and right turn.~~
- 13 k. Flashing right-turn yellow arrow.
- 14 l. Right-turn green arrow.

15 2. Colored lights placed on a horizontal official
16 traffic-control signal face shall be arranged from the left to
17 the right in the following order when used:

- 18 a. Circular red, ~~circular.~~
- 19 b. Steady and/or flashing left-turn red arrow.
- 20 c. Steady and/or flashing right-turn red arrow.
- 21 d. Circular yellow, ~~left turn.~~
- 22 e. Steady left-turn yellow arrow, ~~left turn.~~
- 23 f. Flashing left-turn yellow arrow.
- 24 g. Left-turn green arrow, ~~circular.~~
- 25 h. Circular green, ~~straight through yellow.~~
- 26 i. Straight-through green arrow, ~~straight through green.~~
- 27 j. Steady right-turn yellow arrow, ~~right turn.~~
- 28 k. Flashing right-turn yellow arrow, ~~and right turn.~~
- 29 l. Right-turn green arrow.

30 Sec. 42. Section 328.24, unnumbered paragraph 1, Code 2014,
31 is amended to read as follows:

32 If, during the year for which an aircraft, except
33 nonresident aircraft used for the application of herbicides
34 and pesticides, was registered and the required fee paid, the
35 aircraft is destroyed by fire or accident or junked, and its

1 identity as an aircraft entirely eliminated, or ~~it~~ the aircraft
 2 is removed and continuously used beyond the boundaries of the
 3 state, then the owner in whose name it was registered at the
 4 time of destruction, dismantling, or removal from the state
 5 shall return the certificate of registration to the department
 6 within ~~ten~~ thirty days and make affidavit of the destruction,
 7 dismantling, or removal and make claim for the refund. The
 8 refund shall be paid from the general fund of the state.

9 Sec. 43. 2012 Iowa Acts, chapter 1129, section 4, is amended
 10 to read as follows:

11 SEC. 4. ROAD USE TAX FUND EFFICIENCY MEASURES

12 — ~~QUARTERLY~~ ANNUAL REPORTS. The department of transportation
 13 shall submit ~~quarterly reports~~ a report annually on or before
 14 December 31 in an electronic format to the co-chairpersons
 15 of the joint appropriations subcommittee on transportation,
 16 infrastructure, and capitals, the chairpersons of the senate
 17 and house standing committees on transportation, the department
 18 of management, and the legislative services agency regarding
 19 the implementation of efficiency measures identified in the
 20 "Road Use Tax Fund Efficiency Report", January 2012. The
 21 reports shall provide details of activities undertaken in
 22 the previous ~~quarter~~ year relating to one-time and long-term
 23 program efficiencies and partnership efficiencies. Issues to
 24 be covered in the reports shall include but are not limited
 25 to savings realized from the implementation of particular
 26 efficiency measures; updates concerning measures that have
 27 not been implemented; efforts involving cities, counties,
 28 other jurisdictions, or stakeholder interest groups; any
 29 new efficiency measures identified or undertaken; and
 30 identification of any legislative action that may be required
 31 to achieve efficiencies. ~~The first report shall be submitted~~
 32 ~~by October 1, 2012.~~

33 Sec. 44. SCHOOL BUS SAFETY VIOLATIONS — DRIVER IMPROVEMENT
 34 PROGRAM OPTION FOR FIRST OFFENSE. Notwithstanding 2012 Iowa
 35 Acts, chapter 1015, section 5, subsection 2, by July 1, 2014,

1 the department of transportation shall initiate rulemaking by
2 amending 761 IAC 615.43 to include a person who is convicted
3 for a first violation of section 321.372, subsection 3, among
4 the persons who may be required, in lieu of driver's license
5 suspension, to attend and successfully complete, at the
6 person's own expense, a driver improvement program approved
7 by the department, subject to all other provisions of 761 IAC
8 615.43.

9 Sec. 45. EFFECTIVE UPON ENACTMENT. The following provision
10 of this division of this Act, being deemed of immediate
11 importance, takes effect upon enactment:

12 1. The section of this Act relating to school bus safety
13 violations — driver improvement program option for first
14 offense.

15 Sec. 46. INTERSECTION REPORT. By October 1, 2014, the
16 county engineer of each county shall provide a report to
17 the department of transportation identifying all locations
18 in the county where two different roads or highways having
19 speed limits of 55 miles per hour or greater intersect but
20 are not controlled by an official traffic-control signal
21 or by official traffic-control devices that direct traffic
22 approaching from every direction to stop or yield before
23 entering the intersection. On or before December 31, 2014, the
24 department shall file a report with the legislative services
25 agency detailing the number and locations of the intersections
26 identified in the county engineers' reports.

27 DIVISION IV

28 MOTOR VEHICLE DEALERS

29 Sec. 47. Section 321.48, Code 2014, is amended by adding the
30 following new subsection:

31 NEW SUBSECTION. 2A. Notwithstanding subsections 1 and 2,
32 requirements in those subsections for obtaining title to a
33 vehicle or acknowledging assignment and warranty of title do
34 not apply to a dealer who sells a motor vehicle to a purchaser
35 in a consignment transaction authorized under section 322.7B.

1 Sec. 48. Section 321.57, subsection 1, Code 2014, is amended
2 to read as follows:

3 1. A dealer owning any vehicle of a type otherwise
4 required to be registered under this chapter may operate or
5 move the vehicle upon the highways solely for purposes of
6 transporting, testing, demonstrating, or selling the vehicle
7 without registering the vehicle, upon condition that the
8 vehicle display in the manner prescribed in sections 321.37
9 and 321.38 a special plate issued to the owner as provided in
10 sections 321.58 through 321.62. A dealer may operate or move
11 upon the highways a vehicle owned by the dealer for either
12 private or business purposes, including hauling a load or
13 towing a trailer, without registering it if the vehicle is in
14 the dealer's inventory and is continuously offered for sale at
15 retail, and there is displayed on it a special plate issued to
16 the dealer as provided in sections 321.58 through 321.62. A
17 dealer may operate or move upon the highways an unregistered
18 vehicle owned by a lessor licensed pursuant to chapter 321F
19 solely for the purpose of delivering the vehicle to the owner
20 or transporting the vehicle to or from an auction if there is
21 displayed on the vehicle a special plate issued to the dealer
22 as provided in sections 321.58 through 321.62.

23 Sec. 49. Section 321.60, Code 2014, is amended to read as
24 follows:

25 **321.60 Issuance of special plates.**

26 The department shall ~~also~~ issue special plates as applied
27 for, which shall display the general distinguishing number
28 assigned to the applicant. Each plate so issued shall
29 also contain a number or symbol identifying the plate and
30 distinguishing it from every other plate bearing the same
31 general distinguishing number. The fee for each special plate
32 is forty dollars for a two-year period or part thereof. The
33 fee for a special plate used on a vehicle that is hauling a
34 load or towing a trailer is seven hundred fifty dollars for a
35 two-year period or part thereof.

1 Sec. 50. Section 321.69A, subsection 1, paragraph a,
2 subparagraph (2), Code 2014, is amended to read as follows:

3 (2) The actual cost of any labor or parts charged to or
4 performed by the dealer for any such repairs, adjustments, or
5 parts does not exceed four percent of the ~~dealer's adjusted~~
6 ~~cost~~ manufacturer's suggested retail price.

7 Sec. 51. Section 321.69A, subsections 2 and 3, Code 2014,
8 are amended to read as follows:

9 2. A person licensed as a new motor vehicle dealer pursuant
10 to chapter 322 shall disclose in writing, at or before the
11 time of sale or lease, to the buyer or lessee of a new motor
12 vehicle that the vehicle has been subject to any repairs of
13 damage to or adjustments on or replacements of parts with new
14 parts if the actual cost of any labor or parts charged to or
15 performed by the dealer for any such repairs, adjustments,
16 or parts exceeds four percent of the ~~dealer's adjusted cost~~
17 manufacturer's suggested retail price. The written disclosure
18 shall include the signature of the buyer or lessee and be in
19 a form and in a format approved by the attorney general by
20 rule. A dealer shall retain a copy of each written disclosure
21 issued pursuant to this section for five years from the date
22 of issuance.

23 3. As used in this section, ~~"dealer's adjusted cost"~~
24 "manufacturer's suggested retail price" means the amount paid by
25 ~~the dealer to the manufacturer or other source for the vehicle,~~
26 ~~including any freight charges, but excluding any sum paid by~~
27 ~~the manufacturer to the dealer as a holdback or other monetary~~
28 ~~incentive relating to the vehicle~~ required to be disclosed by a
29 dealer pursuant to 15 U.S.C. §1232(f)(4).

30 Sec. 52. Section 321.105A, subsection 2, paragraph c,
31 subparagraph (14), Code 2014, is amended to read as follows:

32 (14) Vehicles purchased by a licensed motor vehicle dealer
33 for resale or primarily for use by the dealer's customers while
34 the customers' vehicles are being serviced or repaired by the
35 dealer.

1 Sec. 53. NEW SECTION. **322.7B** **Consignment sales of motor**
2 **trucks.**

3 A licensed motor vehicle dealer may sell a used motor truck
4 on a consignment basis if all of the following conditions
5 apply:

6 1. The dealer is licensed to sell used motor vehicles.

7 2. The motor truck offered for sale has a gross vehicle
8 weight rating of twenty-six thousand one or more pounds.

9 3. The dealer prominently displays the words "consignment
10 vehicle" on the motor truck and indicates clearly in the sales
11 documentation that the motor truck is a consignment vehicle.

12 The dealer shall put customers on notice that the dealer does
13 not have title to the vehicle and does not warranty the title.

14 4. The purchaser certifies to the dealer that the person is
15 either a corporation, limited liability company, or partnership
16 or a person who files a schedule C or schedule F form for
17 federal income tax purposes, and that the motor truck is being
18 purchased for business purposes, and not for personal use.

19 5. The dealer assumes no liability for damages resulting
20 from a customer's test drive of the motor truck, and the
21 consignor maintains financial liability coverage as required
22 under section 321.20B or 325A.6, as appropriate, for the motor
23 truck throughout the term of the consignment.

24 Sec. 54. Section 322.9, subsection 2, paragraphs a, b, and
25 c, Code 2014, are amended to read as follows:

26 a. Failing upon the sale or transfer of a vehicle, except
27 upon the sale of a vehicle under section 322.7B, to deliver to
28 the purchaser or transferee of the vehicle sold or transferred,
29 a manufacturer's or importer's certificate, or a certificate of
30 title duly assigned, as provided in chapter 321.

31 b. Failing upon the purchasing or otherwise acquiring of a
32 vehicle, except a vehicle acquired on consignment under section
33 322.7B, to obtain a manufacturer's or importer's certificate,
34 or a certificate of title duly assigned as provided in chapter
35 321.

1 *c.* Failing upon the purchasing or otherwise acquiring of a
2 vehicle, except a vehicle acquired on consignment under section
3 322.7B, to obtain a new certificate of title to such vehicle
4 when and where required in chapter 321.